

**CASH MANAGEMENT IMPROVEMENT ACT
AGREEMENT
THE STATE OF LOUISIANA
AND
THE SECRETARY OF THE TREASURY
UNITED STATES DEPARTMENT OF THE TREASURY
FOR THE PERIOD OF JULY 1, 2001 THROUGH JUNE 30, 2004
AMENDMENT 3**

The Treasury-State Agreement implementing the Cash Management Improvement Act (CMIA), effective for the time period from July 1, 2001 to June 30, 2004, is hereby amended as follows:

1. Explanation of Amendment:

Due to the revised CMIA regulations, with an effective date of June 24, 2002, the State of Louisiana is deleting 13 programs from the Treasury-State Agreement based on the new threshold amount of \$46,287,614. The programs being deleted are as follows:

- CFDA #10.553 – School Breakfast Program
- CFDA #10.558 – Child and Adult Care Food Program
- CFDA #10.561 – State Administrative Matching Grants for the Food Stamp Program
- CFDA #14.228 – Community Development Block Grants/State's Program
- CFDA #17.258 – WIA - Adult Programs
- CFDA #17.259 – WIA - Youth Activities
- CFDA #17.260 – WIA - Dislocated Workers
- CFDA #84.126 – Rehabilitation Services – Vocational Rehabilitation Grants to States
- CFDA #93.956 – Child Care Mandatory and Matching Funds of the Child Care and Development Fund
- CFDA #93.667 – Social Services Block Grant
- CFDA #93.767 – State Children's Insurance Program
- CFDA #93.959 – Block Grants for the Prevention and Treatment of Substance Abuse
- CFDA #96.001 – Social Security – Disability Insurance

The deleted programs represent 7.94% of the total dollar amount of the CMIA programs covered in the previous fiscal year.

Revised Provisions:

Section 4.2 Delete: The State's threshold for major federal assistance programs is \$20 million. The following programs meet or exceed the threshold:

<u>CFDA#</u>	<u>Program Name</u>
10.551	Food Stamps
10.553	School Breakfast Program
10.555	National School Lunch Program

<u>CFDA#</u>	<u>Program Name</u>
10.557	Special Supplemental Food Program for Women, Infants, and Children
10.558	Child and Adult Care Food Program
10.561	State Administrative Matching Grants for Food Stamp Program
14.228	Community Development Block Grants/State's Program
17.225	Unemployment Insurance
20.205	Highway Planning and Construction
66.458	Capitalization Grants for State Revolving Funds
84.010	Title I Grants to Local Educational Agencies
84.027	Special Education - Grants to State
84.126	Rehabilitation Services - Vocational Rehabilitation Grants to States
93.558	Temporary Assistance for Needy Families
93.575	Child Care and Development Block Grant
93.596	Child Care Mandatory and Matching Funds of the Child Care and Development Fund
93.658	Foster Care - Title IV-E
93.667	Social Services Block Grant
93.767	State Children's Insurance Program
93.778	Medical Assistance Program
93.959	Block Grants for the Prevention and Treatment of Substance Abuse
96.001	Social Security - Disability Insurance

Add: The State's threshold for major federal assistance programs is \$46,287,614. The following programs meet or exceed the threshold:

<u>CFDA#</u>	<u>Program Name</u>
10.551	Food Stamps
10.555	National School Lunch Program
10.557	Special Supplemental Food Program for Women, Infants, and Children
17.225	Unemployment Insurance
20.205	Highway Planning and Construction
66.458	Capitalization Grants for State Revolving Funds
84.010	Title I Grants to Local Educational Agencies
84.027	Special Education - Grants to State
93.558	Temporary Assistance for Needy Families
93.575	Child Care and Development Block Grant
93.658	Foster Care - Title IV-E
93.778	Medical Assistance Program

Section 4.4	<u>CFDA#</u>	<u>Program Name</u>	<u>Grounds for Inclusion</u>
	Delete: 17.255	Workforce Investment Act	Expected to exceed State's threshold in subsequent years

Section 4.5	<u>CFDA#</u>	<u>Program Name</u>	<u>Grounds for Exclusion</u>
	Delete: 17.246	Employment and Training Assistance – Dislocated Workers	Will not meet State threshold in current or subsequent years
	17.250	Job Training Partnership Act	Will not meet State threshold in current or subsequent years

Section 5.1	<u>State Agency/Instrumentality</u>
	Delete: Capitol Area Human Services District Executive Department Executive Department – Office of Women's Services

Section 6.3.2	Delete: <u>CFDA #10.553</u>	<u>School Breakfast Program</u>
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Section 6.3.3	<u>CFDA #10.555</u>	<u>National School Lunch Program</u>
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Delete:	Subrecipient:	Department of Public Safety and Corrections
	Component:	Program Expenditures
	Technique:	Actual at Fixed Intervals (Monthly)
	Description:	The Department of Public Safety and Corrections will request reimbursement of program costs from the Department of Education on a monthly basis.
	Component:	Payroll and Administrative Costs
	Technique:	Payroll and Administrative – Fixed Frequency (Monthly)
	Description:	The Department of Public Safety and Corrections will request reimbursement of payroll and administrative costs from the Department of Education on a monthly basis.

Section 6.3.5	Delete: <u>CFDA #10.558</u>	<u>Child and Adult Care Food Program</u>
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Section 6.3.6	Delete: <u>CFDA #10.561</u>	<u>State Administrative Matching Grants for Food Stamp Program</u>
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Section 6.3.7	Delete: <u>CFDA #14.228</u>	<u>Community Development Block Grants/State's Program</u>
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Section 6.3.13 Delete: <u>CFDA #84.126</u>	<u>Rehabilitation Services – Vocational Rehabilitation Grants to States</u>
Section 6.3.16 Delete: <u>CFDA #93.596</u>	<u>Child Care Mandatory and Matching Funds of the Child Care Development Fund</u>
Section 6.3.18 Delete: <u>CFDA #93.667</u>	<u>Social Services Block Grant</u>
Section 6.3.19 Delete: <u>CFDA #93.767</u>	<u>State Children’s Insurance Program</u>
Section 6.3.21 Delete: <u>CFDA #93.959</u>	<u>Block Grants for the Prevention and Treatment of Substance Abuse</u>
Section 6.3.22 Delete: <u>CFDA #96.001</u>	<u>Social Security – Disability Insurance</u>
Section 6.3.23 Delete: <u>CFDA #17.258</u>	<u>WIA Adult Program</u>
Section 6.3.24 Delete: <u>CFDA #17.259</u>	<u>WIA Youth Activities</u>
Section 6.3.25 Delete: <u>CFDA #17.260</u>	<u>WIA Dislocated Workers</u>

Section 7.1.1 Delete: The State shall use the clearance pattern developed for the contract payments component of CFDA# 96.001, Social Security - Disability Insurance, for the payments to providers component of the same program. The basis for this grouping is that the payments are made to the same type of service providers. Even though the amount of the checks in each program differs, the accounting for them by the recipients should be the same.

Section 7.1.2 Delete: The Louisiana Department of Social Services shall develop estimated clearance patterns for CFDA #93.558 – Temporary Assistance to Needy Families, CFDA #93.575 – Child Care Development Block Grant, CFDA #93.596 – Child Care Mandatory and Matching Funds of the Child Care and Development Fund, CFDA # 93.658 – Foster Care – Title IV-E and CFDA #93.667 – Social Services Block Grant based on a monthly cost allocation of the total checks written from their internal payment system. This system includes Federal grants and State funding which are not subject to coverage under CMIA. However, these grants service the same group of clients as the grants listed above.

Add: The Louisiana Department of Social Services shall develop estimated clearance patterns for CFDA #93.558 – Temporary Assistance to Needy Families, CFDA #93.575 – Child Care Development Block Grant, and CFDA # 93.658 – Foster Care – Title IV-E based on a monthly cost allocation of the total checks written from their internal payment systems. This system includes Federal grants and State funding which are not

subject to coverage under CMIA. However, these grants service the same group of clients as the grants listed above.

Section 7.1.3 Delete: The State shall apply the clearance pattern for the Assistance Payments – Checks component of CFDA #93.558 – Temporary Assistance to Needy Families to CFDA #93.596 - Child Care Mandatory and Matching Funds of the Child Care Development Fund. The recipients of this program are basically the same as for the Temporary Assistance to Needy Families program, therefore the accounting should be the same.

Section 7.1.5 Delete: The State shall apply the clearance pattern for the Medicaid Benefits – Checks component of CFDA #93.778 – Medical Assistance Program to the Children’s Insurance Benefits – Checks component of CFDA #93.767 – State Children’s Insurance Program. The recipients of this program are basically the same as for the Medical Assistance Program, therefore the accounting should be the same.

Section 7.1.6 Delete: The State shall apply the clearance pattern for CFDA #93.658 – Foster Care – Title IV-E to CFDA #93.667 – Social Services Block Grant. The recipients of this program is basically the same as for Foster Care – Title IV-E, therefore the accounting should be the same.

Section 7.2 The following State agencies shall develop the State's clearance patterns:

Delete: Executive Department

Section 8.4.3 Delete: The State shall use the following methodology to calculate interest liabilities on refunds:

The State shall apply a \$10,000 refund transaction threshold, below which the State shall not incur interest liabilities on refunds. A transaction is defined as follows: the total of all items in a single deposit for each CFDA number.

Add: The State shall use the following methodology to calculate interest liabilities on refunds:

The State shall apply a \$50,000 refund transaction threshold, below which the State shall not incur interest liabilities on refunds. A transaction is defined as follows: the total of all items in a single deposit for each CFDA number.

The effective date of this amendment is July 1, 2002.

2. Explanation of Amendment:

In the “Fiscal Year 2003 Annual Report Pre-Audit for the State of Louisiana” received from FMS in May 2002, it was noted that there are two technical changes necessary for the Treasury-State Agreement. This amendment will update the TSA to give the date of the most recent State Single Audit Report and to specify that the State’s clearance patterns are calculated in calendar days.

Revised Provisions:

Section 4.1 Delete: The State’s threshold and its major federal assistance programs shall be determined by the most recent State Single Audit Report. All major federal assistance programs shall be covered by this agreement, unless otherwise specified in Section 4.5 of this agreement.

Add: The State’s threshold and its major federal assistance programs are determined by the State Single Audit Report for the Year Ended June 30, 2001 issued on March 28, 2002. All major federal assistance programs shall be covered by this agreement, unless otherwise specified in Section 4.5 of this agreement.

Section 7.12 Add: The State’s clearance patterns are calculated in calendar days.

The effective date of this amendment is July 1, 2002.

3. Explanation of Amendment:

Due to an agreement between the Louisiana Department of Social Services and the Louisiana Department of Education, the subrecipient funding for LDOE’s Starting Points Child Care program is being changed from CFDA #93.575 – Child Care and Development Block Grant to CFDA #93.558 – Temporary Assistance to Needy Families in fiscal year 2003. The funding techniques used by LDOE to draw funds from LDSS will also be changed. This amendment will be used to reflect these changes.

Revised Provisions:

Section 6.3.15 CFDA #93.575 Child Care and Development Block Grant

Delete:	Subrecipient:	Department of Education
	Component:	Program Expenditures
	Technique:	Average Clearance
	Component:	Payroll & Administrative Costs
	Technique:	Payroll and Administrative – Fixed Frequency (Bi-weekly)

Description: The Department of Education will request reimbursement of payroll and administrative costs from the Department of Social Services on a bi-weekly basis.

Section 6.3.14

CFDA #93.558

Temporary Assistance to Needy Families

Add: Subrecipient: Department of Education
Component: Program Expenditures
Technique: Actual at Fixed Intervals (Monthly)
Description: The Department of Education will request reimbursement of program costs from the Department of Social Services on a monthly basis.

Component: Payroll and Administrative Costs
Technique: Payroll and Administrative – Fixed Frequency (Monthly)
Description: The Department of Education will request reimbursement of payroll and administrative costs from the Department of Social Services on a monthly basis.

The effective date of this amendment is July 1, 2002.

4. Explanation of Amendment:

In fiscal year 2002, the Louisiana Department of Education had a single Payroll and Administrative Cost component for both CFDA #84.010 – Title I Grants to Local Educational Agencies and CFDA #84.027 – Special Education – State Grants. In fiscal 2003, they want these components split into a separate Payroll component and Administrative component for each of the programs. This amendment will delete existing component and add the new components for each program.

Revised Provisions:

Section 6.3.11

CFDA #84.010

Title I Grants to Local Educational Agencies

Delete: Component: Payroll and Administrative Costs
Technique: Payroll and Administrative – Fixed Frequency (Bi-weekly)
Description: The Department of Education will request funds for the reimbursement of payroll and administrative costs on a bi-weekly basis.

Add:	Component:	Payroll Costs
	Technique:	Average Clearance
	Component:	Administrative Costs
	Technique:	Payroll and Administrative – Fixed Frequency (Weekly)
	Description:	The Department of Education will request funds for the reimbursement of administrative costs on a weekly basis.

Section 6.3.12 CFDA #84.027 Special Education - State Grants

Delete:	Component:	Payroll and Administrative Costs
	Technique:	Payroll and Administrative – Fixed Frequency (Bi-weekly)
	Description:	The Department of Education will request funds for the reimbursement of payroll and administrative costs on a bi-weekly basis.
Add:	Component:	Payroll Costs
	Technique:	Average Clearance
	Component:	Administrative Costs
	Technique:	Payroll and Administrative – Fixed Frequency (Weekly)
	Description:	The Department of Education will request funds for the reimbursement of administrative costs on a weekly basis.

The effective date of this amendment is July 1, 2002.

5. Explanation of Amendment:

In fiscal year 2003, the Louisiana Department of Social Services will begin paying state agency subgrantees of CFDA #93.558 – Temporary Assistance to Needy Families electronically. Therefore a new component for this program must be added in order to reflect this new payment method. This amendment will add the new component for this program.

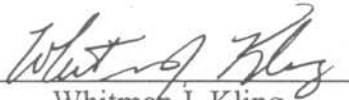
Revised Provisions:

Section 6.3.14 CFDA #93.558 Temporary Assistance to Needy Families

Add:	Component:	State Subrecipient Costs
	Technique:	Actual Clearance (ZBA)

The effective date of this amendment is July 1, 2002.

Signatures:



Whitman J. Kling
Assistant Commissioner
Division of Administration
State of Louisiana



for Betsy Lane
Assistant Commissioner
Federal Finance
FMS, US Treasury 6/29/02